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GENERAL CANADIAN STATEMENT FOR THE
26TH FAO CONFERENCE

DELIVERED BY MURRAY CARDIFF, M.P.

PARLIAMENTARY SECRETARY TO THE MINISTER OF AGRICULTURE

ROME, 14 NOVEMBER 1991

Mr. Chairman, profound changes are taking place in the world today. In the two years since we last met, we have seen a groundswell of democratic change in the USSR and Eastern Europe, as well as in Latin America and Africa. At the same time, however, we have seen continuing turbulence in world affairs - turbulence caused by war, civil insurrection, difficult climatic conditions and the continuing problems of poverty, malnutrition and starvation. And, perhaps the most importance of all in the long term, we are facing an environmental crisis which, if left unchecked, will cripple our planet.

These changes have serious effects on the agriculture sector. Developed and developing countries alike face problems with low commodity prices and little return on their agricultural investment. In Canada, low commodity prices, especially for cereals, are creating very difficult financial conditions for our farmers. It is ironic that even though Canada has just finished harvesting another large and high quality grain crop, many grain farmers are losing their farms. It is more alarming still that while parts of the world are generating food surpluses, millions of people are facing starvation daily. We must deal with these issues effectively, with commitment, and with a view to finding long-term solutions.

More than one out of five people on this planet are so poor that they do not have access to adequate nutrition, housing, clothing, education or even basic health care. The largest concentration of poor people is found in rural areas, and their survival depends on agriculture. Preservation and protection of the valuable natural resources which agriculture depends on can only become a priority once the problem of poverty has been adequately addressed. The alleviation of poverty in developing countries can only be achieved by the creation of wealth, employment and value-added products in rural areas.

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However, we must not only provide for policies which address sustainable development and alleviate poverty, we must also revise international rules relating to trade and commerce. There is an essential link between poverty and sustainable development. Therefore, if we do not successfully reform the international trading system, we will effectively find ourselves working against sustainable development in the poorest nations.

We request that this conference appeal for a successful and swift conclusion to the Uruguay Round of trade negotiations. The decisions made there are crucial for the future of the multilateral trading system. The outcome will determine if we can create a trading environment which stimulates growth, reduces poverty and encourages the generation of wealth.

Indeed, nations have not fully adjusted to the political and economic imperatives of change. Trade tensions threaten to undermine our collective potential for prosperity and cooperation. Our common challenge is to resist protectionist and isolationist forces, and to avoid a continuation of the excesses of trade wars which serve no country's interest. The pressing need to access markets, investment and technology does not permit us to ignore the call for clearer and stronger GATT rules.

At this moment, subsidized exports continue to depress prices on world markets. Many industrialized countries are diverting precious financial resources to provide production incentives and export subsidies. In 1990 alone, OECD countries spent 299 billion dollars U.S. through agricultural transfers of one form or another. In a time of constrained fiscal resources, is this a price which we can continue to pay?

We must especially consider the effects of subsidies on the people in developing countries. Last year, the International Monetary Fund estimated that farm subsidies were costing developing countries 50 billion dollars U.S. a year in lost agricultural exports. Furthermore, the subsidies that encourage over-production result in greater use of marginal land that can only be productive with increased use of fertilizers and other production inputs. As a result, we run up environmental, social and economic bills that will have to be paid by future generations.

On the occasion of this year's World Food Day ceremonies organized by the FAO and held at the U.N. Headquarters in New York, Canada's Minister of Agriculture, Mr. Bill McKnight, underlined the necessity for an end to this abuse of subsidies.

Trade barriers can be overcome. We are facing the imminent reality of a single European market at the end of 1992, and increasing regional integration of trade. The trade agreement between Canada and the United States, and our negotiations toward a trilateral agreement with the U.S. and Mexico are examples of how trade barriers can be eliminated.

Mr. Chairman, we will all have to make adjustments to adapt to the rapid pace of international events, changing market trends and environmental pressures. In Canada, we foresaw an urgent need to restructure and reform our agricultural sector, and, since the last FAO conference, we have undertaken a major review of Canadian agri-food policy.

We set out with a vision of a strong, durable agri-food sector - well-positioned to take advantages of the opportunities ahead, and able to adapt to changing conditions. Through a broad process of consultation involving governments, producers, processors, and other interest groups we developed our vision for a competitive agri-food sector. In doing so, we kept four principles in mind: environmental sustainability, self-reliance, regional diversity, and market responsiveness.

Mr. Chairman, after many decades of mismanagement, fundamental agricultural adjustment is essential to meet the need of the peoples of Eastern Europe and an important element in the revitalisation of their economies. Earlier this year, our Prime Minister urged the world to throw to these countries an economic lifeline.

It should be emphasized, however, that Canada's position remains that any future assistance to eastern Europe will not be at the expense of the regular O.D.A. budget. Financial flows to developing countries will be maintained. Canada is an active supporter of the U.N. food and environmental agencies. Indeed, Canada continues to be the second largest donor to the World Food Programme and the largest per capita donor nation through our overall food aid budget.

Mr. Chairman, in order to leave a healthy earth for future generations, we must move quickly toward adopting approaches based on the concept of sustainable development. Approaches where environmental viability is at the heart of our economic, social, political and even cultural activities.

In Canada, with the implementation of our Green Plan, the issue of sustainability of the environment has been brought to centre stage. Canada's perspective is that environmental sustainability and preservation of air, water and soil as well as biological and genetic resources need to become integral parts of agricultural development.

In this regard, we wish to underline the importance of the upcoming United Nations Conference on Environment and Development. The experts at the Joint FAO/Netherlands government meeting in Den Bosch reminded us that agriculture is the sector which has the most impact on the natural environment, and at the same time, it is the sector that is the most dependent on the environment.

As the leading agency of the United Nations for agriculture, forestry and fisheries, the FAO must assume an essential leadership role in the UNCED process. Canada attaches great importance to the FAO's contribution to the UNCED process and would like to see this effort further strengthened as the UNCED conference rapidly approaches. In particular, we believe that the FAO should provide a full range of technical and other support to the UNCED preparatory process as it develops the authoritative statement of principles on the management, conservation and sustainable development of all types of forests.

We look forward to this conference's indication of support for the declaration of the Tenth World Forestry Congress which endorsed UNCED's work on guiding principles on forest management.

Regarding fisheries, Mr. Chairman, Canada concurs that the strategy for fisheries management and development that was endorsed at the 1984 World Fisheries Conference continues to provide valid and useful guidance for the development of appropriate fisheries policies and plans. The U.N. Resolution 44/225 endorsing a moratorium on large scale pelagic drift nets in the Pacific by 30 June of next year, is viewed as a major step forward in support of this strategy. We would also support the continuation of progress reports of the strategy at regular intervals.

International trade in fish products will become increasingly important, particularly if fisheries are to make a fundamental contribution to economic and social development in developing countries. Therefore, there is a growing need for further reductions in trade barriers, both tariff and non-tariff, in order to foster full development of the global fisheries resources.


Mr. Chairman, I would like to take this opportunity to comment briefly on areas of FAO activities of particular priority to Canada, some of which are currently before the Conference for its consideration. I would like to highlight the FAO's role as a repository and disseminator of data on agriculture, fisheries and forestry, and as a provider of policy advice. Canada also strongly supports the work with the Codex Alimentarius Commission, the International Plant Protection Convention, as well as the essential role of the global information and early warning system. We are particularly pleased with the growing emphasis on sustainable development and the role of women in the development process in all aspects of the organization's programmes and operations.

We welcome the efforts made by the Director General to implement Resolution 10/89 concerning the review of certain aspects of FAO's goals and operations. I would like to stress, however, that in our view, reform within the U.N. system should be seen to be a continuing process, in order that the challenges of a rapidly changing world can be met.

Canada is encouraged at the progress made in the dialogue on the financial situation of the organization, notably, the introduction of a no-programme growth budget, based on prioritization of existing resources and the containment of cost increases. On the other hand, we have some consensus over such items as the lapse factor and special reserve accounts which we hope can be worked out during the course of the conference. It is our sincere hope that the budget can be adopted by consensus.

I would like to say in conclusion, Mr. Chairman, that in an increasingly inter-dependent world, cooperation between nations is the key to alleviation of the problems we face. The FAO has a vital role to play as an agent of change and leader in agriculture development. Canada is committed to assisting in this role.

Thank you, Mr Chairman.



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